

COMMONWEALTH OF VIRGINIA
VIRGINIA GAS AND OIL BOARD HEARING
Minutes December 20, 2011

Pursuant to Sections 45.1-361.9B and 45.1361.22.B of the Code of Virginia, the Virginia Gas and Oil Board will held its scheduled monthly hearing commencing at 9 a.m. on Tuesday, December 20, 2011, at the Russell County Government Conference Center, 139 Highland Drive, Lebanon, Virginia.

Board members present were Katie Dye, Bill Harris, Allen Compton, Bradley Lambert, Mary Quillen.

Others present were Rick Cooper, James Lovett and Diane Davis with the Division of Gas and Oil; Sharon M. B. Pigeon, Sr. Assistant Attorney General, legal counsel for the Board.

1. The board will receive public comments. Public comments were received from:
 - a. Lonnie Brown spoke on a split agreement.
 - b. Martha Guilliams commented about the horizontal drilling proposal and objected to its approval
 - c. Mitchell Counts addressed funds in escrow and ownership issues
 - d. Jerry Grantham addressed comments made during the public comment period in October related to horizontal drilling.
 - e. Tim Worley – no comment

2. The Board, on its own motion, will consider a proposal from the Horizontal Drilling Committee established by the Board for an order establishing Field Rules for Horizontal Drilling in Southwest Virginia. Docket Number VGOB-11-0816-2986. Continued from November 2011.

The petition was approved by the Board. The committee will need to provide DGO with the Exhibit BB.

3. On the Board's own motion Unit O75ACV in the Rocklick District, Buchanan County, Virginia is being placed on the docket for correction of testimony. Docket Number VGOB-11-1115-3001.

CNX submitted new exhibits to correct ownership issue. Exhibits were revised to reflect that Appalachian Energy does not hold a lease on Buchanan Realty. The correction was approved by the Board.

4. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit C-33, Garden District, Buchanan County, Virginia. Docket Number VGOB-11-1220-3008.

The petition was approved by the Board. Escrowing will be required.

5. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit G-45, Garden District, Buchanan County, Virginia. Docket Number VGOB-11-1220-3009.

The petition was approved by the Board. Escrowing will be required.

6. A petition from CNX Gas Company, LLC for pooling of coalbed methane unit AA-55, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-11-1220-3010.

The applicant submitted revised exhibits B-2, B-3 and E. The petition was approved by the Board. Escrowing will be required.

7. A petition from CNX Gas Company, LLC for creation of a drilling unit and pooling for a coalbed unit TA-87, Maiden Springs District, Tazewell County, Virginia. Docket Number VGOB-11-1220-3011.

The applicant submitted revised exhibits B-2, B-3, and Exhibit A, Page 2. The petition was approved by the Board. Escrowing will be required.

8. A petition from CNX Gas Company, LLC for pooling of a coalbed methane unit BH-115, New Garden District, Russell County, Virginia. Docket Number VGOB-11-1220-3012.

The petition was approved by the Board. Escrowing will be required. A revised Exhibit E will be submitted.

9. A petition from CNX Gas Company, LLC for pooling of a coalbed methane unit ZZZ-33, Garden District, Buchanan County, Virginia. Docket Number VGOB-11-1220-3013.

The petition was approved by the Board. Escrowing will be required.

10. A petition from CNX Gas Company LLC for creation of a 320 acre provisional drilling unit and pooling for conventional horizontal unit U6ASH, Prater District, Buchanan County, Virginia. Docket Number VGOB-11-1220-3014.

The petition will be continued to January 2012.

11. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530323, Lipps District, Wise County, Virginia. Docket Number VGOB-11-1220-3015.

The petition was approved by the Board.

12. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530326, Lipps District, Wise, County, Virginia. Docket Number VGOB-11-1220-3016.

The petition was approved by the Board.

13. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530327, Lipps District, Wise County, Virginia. Docket Number VGOB-11-1220-3017.

The petition was approved by the Board.

14. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530329, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-11-1220-3018.

The petition was approved by the Board.

15. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530330, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-11-1220-3019

The petition was approved by the Board.

16. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530331, Ervinton District, Dickenson County, Virginia. Docket Number VGOB-11-1220-3020.

The petition was approved by the Board.

17. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530245, Clintwood District, Dickenson County, Virginia. Docket Number VGOB-11-1220-3021.

The applicant provided a revised petition because they needed to add a well to ask for an exception from. The revised petition was approved by the Board.

18. A petition from Range Resources-Pine Mountain, Inc. for a well location exception for proposed well V-530324, Kenady District, Dickenson County, Virginia. Docket Number VGOB-11-1220-3022.

The petition was approved by the Board.

19. The Board will receive an update of Board and Division activities from staff.

No new items to discuss.

20. The Board will review the November 2011 minutes for approval.

The minutes were approved by the Board.

The meeting adjourned at 12:00.

